University Of Jordan

Introduction To Management

Thirteen Edition

Chapter 4 :

External enviroment and organizational culture

Done By :

Lujain Jubran

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Pixels

Good Luck ❤

بسم الله ما شاء الله

Subject　　　　Date　　　　No.

Chapter 4: External enviroment and organizational Culture.

* The External Enviroment: Consists of: ① economic, ② legal Political, ③ Sociocultural, ④ technological, and ⑤ natural enviroment conditions in wich the organizational operats.

*Figure Page "68".

الـ 6 نقاط هي عوامل بتأثر بالبيئة الخارجية لأي مؤسسة،

O　اقتصادية　① Economic enviroment:

r　• economic growth (نمو اقتصادي) • unemployment rate (بطالة) • disposable income (الدخل المتاح).

g

a　اجتماعية　② Sociocultural enviroment:

n　• Population demographics (التوزيع الديموغرافي) • education system (نظام التعليم) • health/nutrition (الصحة، التغذية).

i

z　طبيعية　③ Natural enviroment:

a　• "green" value • recycling infrastructure (تدوير البيئة التحتية).

t　تكنولوجية　④ Technological enviroment:

i　• IT System infrastructure • broadband internet access (نقاط وصول الانترنت).

o

n　قانونية　⑤ Legal political enviroment:

• laws and regulation • business forms • political trends (اتجاهات سياسية).

1 Economic enviroment

(• high unemployment • long term joblessness • rising income inquality
(• Falling middle class income • Debates on minimum wage.

*The overal health of the economy in terms of:- financial markets - inflation - Income levels - job creation.

* macro economic condition affect the Prospect for companies consumer spending patterns and lifestyle and even state and national Priorities.

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للخارج *offshoring : out sharing of jobs to foreign location.
العودة *Reshoring : the movement of jobs from foregin
للداخل location back to domestic ones.

2 Legal political Conditions.
(• immigration reform • education reform • health care reform).

*These Conditions reflect current and proposed laws and regulation government policies and the philosophy and objectives of political parties.

رقابة الانترنت
*Internet censorship : deliberate blockage and denial of public access to information posted on the internet.
• for example : Google - Yahoo - Twitter.

3 Sociocultural Conditions.
• The general enviroment as demographics and norms of a Society or region, as well as social values pertaining to Such things as employment, gender roles, ethics, human rights and lifestyle.

انواع الاجيال
*Generational cohorts : Consist of people born within a few years of one another and who experince Somewhat similar lif events during their formative years.

N O T E B O O K

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*older generations are "digital immigrants" → who had to learn technology the younger millennials.
* Gen Ys, iGeneration → gew up as "digital natives" in technology enriched homes, schools, and friendship enviroment
* Characteristics often used to digital natives include:
- ease of multitasking
- desire for immediate gratification
- Continuous contact with others.
- less concern with knowing thing.

4 Technological Conditions
• Continuing wave of social media applications for the workplace ranges from new product development and advertising, to employee networking and data sharing to virtual meetings and always avilable chat.

5 Natural enviroment Conditions.
• "disaster" - a nuclear plant failure, major oil spill, enormous hurricane. But concerns for the status and preservation of our natural enviroment are ever present and global.
• calls for being "carbon neutral" "green" "sustainable"
* people and organization worker harder to:
reduce water consumption, cut back waste, increas recycling, improve energy efficiency, consume more local produce eliminate pollution.

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* Enviroment and Value Creation

محددة
- The Specific enviroment (task enviroment) : includes the
ناس
People and groups with whom an organization interacts.
الرئيسة

ساهمين
- Stakeholders : the persons, groups and institutions directly affected by an organizations.

- Organization, include :-

موظفين Employee - Government حكومة - Customers مستهلك - Future generation الأجيال المستقبلية - Owner مالكين - Business partners شركاء الاعمال - supplier موردين - local communties محليين.

ميزة تنافسية
- Competitive advantage : Something that an organization does extremely well, is difficult to copy, and that gives it an advantage over Competitors in the marketplace.

فوائد
* Benefits of Competitive advantage :-

1. achived Costs تكلفة : lower Costs and high profit.
2. achived quality جودة : higher quality with using technology.
3. achived delivery تسليم : delivering product and services to Customer faster and one time.
4. achived flexibility مرونة : tailor products and services to fit Customer needs.

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* Uncertanity , Complexity , Change.

• Environmental uncertanity : lack of information regarding what exists in the environment and what developments may occur.

مهماً !! ✓

* Figure Page "74"

- Rate of change enviroment درجة التغير في البيئة
- Complexity of enviroment. درجة التعقيد في البيئة

• هنا كلما انخفضت نسبة ادائها افضل لأنهم يسببون الأضرار للبيئة.

1. (high) change - (high) Complexity → high uncertanity.
2. (high) Change - (low) Complexity → high moderate uncertanity.
3. (low) change - (high) complexity → low moderate uncertanity.
4. (low) change - (low) complexity → low uncertanity.

* Environment and Innovation

ابتكار • Innovation : process of taking a new idea and putting it into practice.

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* Types of Innovations :-

منتج [1] Product innovations : results in new or Improved goods or services. "Amazon's" مثال

عمليات [2] Process innovation : result in better ways of doing things. ("Ikea's" مثال)

اعمال [3] Business model innovation : results in ways for firms to make money. "Netflix" مثال

الابتكار في الاعمال الاجتماعية

* Social business innovation : finds ways to use business models to address important social problems.

مراحل الابتكار

* Innovation Process : Figure page "76

(1) Imagining—thinking about new possibilities

(2) Designing—building first models, prototypes

(3) Experimenting—examining practicality, doing feasibility studies

(4) Assessing—identifying costs/benefits, markets/applications

(5) Scaling—implementing and commercializing as new products or services

بالترتيب "مهم"

الابتكار العكسي

* Reverse innovation : launched from lower organizational levels and diverse locations including emerging markets.

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الابتكار التخريبي

* Disruptive innovation : Creats Products or services that become so widely used that they largely replace Prior Practices and Competitors.

الاستدامة

* Sustainability : Commitment to protect the rights of Present and Future generation as Stakeholders of the World's resources

تطوير استدامة

1. Sustainable development : use environmental resources to support societal needs today while also preserving and protecting them for future generation.

رأس مال بيئي — رأس مال طبيعي

- Environmental Capital or "natural Capital" : natural resources atmoshere, land, water and minerals that Sustain life and Produce goods and services for Society.

اقتصادية — اجتماعية — بيئية

* The triple bottom line : economic, Social, environmental Performance of organization.

* The 3 P's of orgaizational Performance Profit, People, Planet. [illegible]

استدامة تجارية

2. Sustainable Business : operates in ways that meet the needs of customer while protecting or advancing the well being of our natural environment.

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استدامة بيئية

3. Sustainable innovation "green innovations": help reduce an organization negative impact and enhance its positive impact on the natural environment.

* Organizational Commitment to human Sustainability:-

1- health insurance.
2- Wellness programs.
3- avoiding job layoffs.
4- Structuring work hours to reduce stress.
5- Structuring work hours to minimize work.
6- desining jobs to reduce stress.
7- desining jobs to give people control over their work.
8- being transparent and fair in handling wage and status inequalities.

Done by Lujain-jubran

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SELF-TEST 4

Multiple-Choice Questions

1. The general environment of an organization would include ________.
   (a) population demographics
   (b) activist groups
   (c) competitors
   (d) customers

2. Internet censorship faced in foreign countries by firms such as Google is an example of how differences in ________ factors in the general environment can cause complications for global business executives.
   (a) economic (c) natural environment
   (b) legal-political (d) demographic

3. If the term *offshoring* describes outsourcing of work and jobs to foreign locations, what is it called when firms like Caterpillar move jobs back into the United States from foreign locations?
   (a) protectionism (c) disrupting
   (b) reshoring (d) upscaling

4. Work preferences of different generations and public values over things like high pay for corporate executives are examples of developments in the ________ environment of organizations.
   (a) task (c) socio-cultural
   (b) specific (d) economic

5. A business that has found ways to use technology to outperform its rivals in the marketplace can be said to have gained ________.
   (a) environmental capital
   (b) competitive advantage
   (c) sustainable development
   (d) environmental certainty

6. Apps for an Apple IPhone or a Google Android phone are examples of ________ innovations, whereas the use of robotics in performing manufacturing tasks previously done by humans is an example of ________ innovation.
   (a) cost-benefit, process
   (b) product, cost-benefit
   (c) value-driven, service-driven
   (d) product, process

7. Micro-credit lending that makes it possible for poor people to get small loans so they can start small businesses is an example of a business model innovation that is also a ________ innovation.
   (a) social business
   (b) technological
   (c) disruptive
   (d) green

8. Two dimensions that determine the level of environmental uncertainty are the number of factors in the external environment and the ________ of these factors.
   (a) location
   (b) rate of change
   (c) importance
   (d) interdependence

9. One of the ways that corporations might better take into account their responsibility for being good environmental citizens is to redefine the notion of profit to: Profit = Revenue − Cost of Goods Sold − ________.
   (a) operating expenses
   (b) dividends
   (c) costs to society
   (d) loan interest

10. The three P's of organizational performance are Profit, People, and ________.
    (a) Philanthropy
    (b) Principle
    (c) Potential
    (d) Planet

11. What organizational stakeholder must be considered in any serious discussion about how a firm can better fulfill its obligations for sustainable development?
    (a) owners or investors
    (b) customers
    (c) suppliers
    (d) future generations

12. The first step in Hamel's wheel of innovation is ________.
    (a) imagining
    (b) assessing
    (c) experimenting
    (d) scaling

اسئلة نهاية الشابتر

ص 1

13. When a medical device is developed in India so that it can sell at a low price and still deliver high-quality results, and then that device is transferred for sale in the United States also at a low price, this is an example of ____________.
(a) trickle-down innovation
(b) disruptive innovation
(c) reverse innovation
(d) sustainable innovation

14. What term is used to describe the world's supply of natural resources, such as land, water, and minerals?
(a) sustainable development
(b) global warming
(c) climate justice
(d) environmental capital

15. Health insurance for employees, flexible work hours to balance work and family responsibilities, and programs to help employees deal with stress in their lives, are ways organizations might try to improve their accomplishments in respect to ____________.
(a) profits
(b) human sustainability
(c) innovation
(d) natural capital

ص 2